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\* ADMITTED IN FLORIDA ONLY

RECORDATION NO. 5716-1

518 • 434-4377

July 7, 1988

JUL 11 1988 - 11 42 AM

INTERSTATE COMMERCE COMMISSION

Secretary  
Interstate Commerce Commission  
12th and Constitution Avenues, N.W.  
Washington, D.C. 20423

Attention: Mildred Lee - Room 2302

- Re: 1) Salt Car Leasing Company/GWI Rail Management Corporation  
Lease Agreement  
2) Marine Midland Bank, N.A./Salt Car Leasing Company  
Assignment of Rents Agreement

Dear Secretary:

This law firm has served as legal counsel to Salt Car Leasing Company, GWI Rail Management Corporation and Marine Midland Bank, N.A. in connection with the above-referenced lease and assignment of rents for railroad cars. On their behalf, we enclose one fully-executed and acknowledged original of the documents described below and one certified true copy of the same, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

The first document is a Memorandum of Lease, a primary document, dated December 1, 1986.

The names and addresses of the parties to the document are as follows:

Lessor: Salt Car Leasing Company  
Attention: Mortimer B. Fuller, III  
157 Milton Road  
Rye, New York 10580

Lessee: GWI Rail Management Corporation  
Attention: Mortimer B. Fuller, III  
71 Lewis Street  
Greenwich, Connecticut 06830

8--193A019

JUL 11 1988 - 11 42 AM  
INTERSTATE COMMERCE COMMISSION  
REC'D 12:00

ICC Washington, D. C.

ICC OFFICE OF  
THE SECRETARY  
JUL 11 11 15 AM '88  
MOTOR OPERATING UNIT

Secretary  
Interstate Commerce Commission  
July 7, 1988  
Page Two

A description of the equipment covered by the document follows:

Twenty-five (25) one hundred-ton (4,427 cubic feet capacity) steel-covered hopper railroad cars bearing railroad reporting marks GWIX 97500 through 97506, 97510, 97517, 97522, 97525, 97527, 97530 through 97533, 97535, 97537, 97539 through 97544 and 97546.

A short summary of the document to appear in the index appears as follows:

Memorandum of Lease dated December 1, 1986 summarizing a lease agreement of even date herewith between Salt Car Leasing Company, 157 Milton Road, Rye, New York 10580, as Lessor, and GWI Rail Management Corporation, 71 Lewis Street, Greenwich, Connecticut 06830, as Lessee, providing for the lease of twenty-five (25) one hundred-ton (4,427 cubic feet capacity) steel-covered hopper railroad cars bearing railroad reporting marks GWIX 97500 through 97506, 97510, 97517, 97522, 97525, 97527, 97530 through 97533, 97535, 97537, 97539 through 97544 and 97546.

The second document is a Memorandum of Assignment, a secondary document, dated December 1, 1986. The primary document to which this document is connected is the above-referenced Memorandum of Lease.

The names and addresses of the parties to the Memorandum of Assignment are as follows:

Assignor: Salt Car Leasing Company  
Attention: Mortimer B. Fuller, III  
157 Milton Road  
Rye, New York 10580

Assignee: Marine Midland Bank, N.A.  
Attention: Emmett B. Boylan  
One Marine Midland Plaza  
Rochester, New York 14639

We request that this assignment be cross-indexed to GWI Rail Management Corporation and the primary document Memorandum of Lease.

Secretary  
Interstate Commerce Commission  
July 7, 1988  
Page Three

A description of the equipment covered by the document follows:

Twenty-five (25) one hundred-ton (4,427 cubic feet capacity) steel-covered hopper railroad cars bearing railroad reporting marks GWIX 97500 through 97506, 97510, 97517, 97522, 97525, 97527, 97530 through 97533, 97535, 97537, 97539 through 97544 and 97546.


A short summary of the document to appear in the index appears as follows:

Memorandum of Assignment dated December 1, 1986 summarizing an assignment of rents of even date therewith between Salt Car Leasing Company, 157 Milton Road, Rye, New York 10580, as Assignor, and Marine Midland Bank, N.A., One Marine Midland Plaza, Rochester, New York 14639, as Assignee, providing for the assignment of rents for twenty-five (25) one hundred-ton (4,427 cubic feet capacity) steel-covered hopper railroad cars bearing railroad reporting marks GWIX 97500 through 97506, 97510, 97517, 97522, 97525, 97527, 97530 through 97533, 97535, 97537, 97539 through 97544 and 97546.

A fee of Thirteen Dollars (\$13.00) is enclosed covering the recordation of both documents. Please return all documents not needed by the Commission for recordation to the undersigned at the address of our law firm indicated above.

Very truly yours,

HARTER, SECREST & EMERY



Charles D. Cramton

CDC/etg  
Enclosures  
cc: James B. Gray, Jr., Esq.  
Mortimer B. Fuller, III

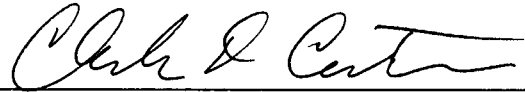
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RECORDATION NO. \_\_\_\_\_ FILE NO. \_\_\_\_\_

JUL 11 1988 - 11 20 AM

CERTIFICATE OF TRUE COPY INTERSTATE COMMERCE COMMISSION

I, CHARLES D. CRAMTON, hereby state that I have compared the attached copy of the MEMORANDUM OF ASSIGNMENT dated December 1, 1986, by and between Salt Car Leasing Company and Marine Midland Bank, N.A. with the original and found the copy to be complete and identical in all respects to the original document.

Dated: July 7, 1988



Charles D. Cramton  
Notary Public

CHARLES D. CRAMTON  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
Commission Expires February 9, 1989

MEMORANDUM OF ASSIGNMENT JUL 11 1988 11 22 AM

**INTERSTATE COMMERCE COMMISSION**

THIS MEMORANDUM OF ASSIGNMENT is made as of December 1, 1986, by and between SALT CAR LEASING COMPANY, a New York proprietorship of which Mortimer B. Fuller, III is the proprietor (the "Owner"), having a place of business at 157 Milton Road, Rye, New York 10580, and MARINE MIDLAND BANK, N.A., a national banking association (the "Bank"), having a place of business at One Marine Midland Plaza, Rochester, New York 14639.

## NOTICE IS HEREBY GIVEN AS FOLLOWS:

1. The Owner and the Bank have entered into an Assignment of Rents, dated December 1, 1986 (the "Assignment"). The Owner and the Bank desire to enter into this Memorandum of Assignment, which is to be filed with the Interstate Commerce Commission, in order that third parties may have notice of the Assignment; a copy of the Assignment is being held by the Bank at its office having the mailing address stated above.

2. The Assignment provides, in part, as follows:

## WITNESSETH

The Owner sells, assigns, transfers and sets over unto the Bank all of the Owner's right, title and interest in and to rents, renewal rents, proceeds of settlement for cars (hereinafter defined) which are lost, destroyed or damaged beyond repair and all other sums due and to become due under, pursuant to or by reason of that certain railroad car Lease

Agreement dated December 1, 1986, covering 25 steel covered hopper cars described on the Schedule attached hereto (herein called the "Cars"), between the Owner, as "Lessor," and GWI Rail Management Corporation, as Lessee (i.e. hereinafter called the "Lessee"). The Assignment covers and includes all amendments and supplements to and renewals of said Lease and said Agreement at any time made (said Lease including all amendments and supplements hereinafter called the "Lease").

The Assignment is given and intended as continuing collateral security for the payment of any and all indebtedness of the Owner to the Bank as follows: all obligations of the Owner to the Bank existing at the time of the execution and delivery of the Assignment or thereafter arising, as provided for in a certain promissory note executed and delivered by the Owner to the Bank on or about December 5, 1986 (the "promissory note"), including without limitation any and all interest thereon and expenses therefor and any and all extensions and/or renewals of any such obligations, all of which obligations are hereinafter called the "obligations", whether such obligations shall at any time or from time to time have been reduced or paid in full and thereafter increased or reincurred and no renewal of, or extension of time of payment of any obligations or evidence of indebtedness or any part therefor, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect the Assignment or the security afforded thereby, save

payment in full by the Owner to the Bank of any and all obligations of the Owner to the Bank arising under the promissory note, while no default exists under any of the provisions of Article I thereof. If such payment in full is made by the Owner while no such default exists and all such defaults are subsequently corrected by the Owner, the Owner shall be entitled to have the Assignment discharged.

The Assignment is made upon the express understanding and agreement that the Bank assumes no responsibility for the performance of the Owner's obligations under the Lease; shall in no event be liable to the Lessee for the failure on the part of the Owner to comply with or perform any of the Owner's obligations under the Lease; and shall in no way be held to have assumed or become liable for compliance with or performance of any covenant binding upon the Owner, but the Owner shall continue to be bound by all such obligations and covenants.

The Owner irrevocably constitutes and appoints the said Bank its true and lawful attorney with full power of substitution, for it and in its name, place and stead, to ask, demand, collect, receive, receipt for, sue for, compound and give acquittance for any and all amounts which may be or become due or payable under the Lease with full power to settle, adjust or compromise any claim thereunder as fully as the Owner could himself do, and to endorse the name of the Owner on all negotiable instruments given in payment or in part payment therefor, and in his discretion, to file any claim or take any

other action or proceeding, either in his own name, or otherwise, which the Bank may deem necessary or appropriate to collect any and all sums which may be or become due or payable under the Lease, or which may be necessary or appropriate to protect or preserve the right, title and interest of the Bank in and to such moneys and the security intended to be afforded by the Assignment.

The Owner authorizes and directs the Bank to notify the Lessee of the Assignment and, upon the occurrence of an event which with notice, lapse of time, or both would be an event of Default under the terms of the promissory note, to direct the Lessee to make all payments of all sums due or to become due under the Lease (in the case of the Agreement, only so long as the Bank continues to honor the Owner's obligations thereunder), including without limitation, payments of rental and payments for Cars lost, destroyed or damaged beyond repair, directly to the Bank. Any such payments received by the Owner after the occurrence of an event which with notice, lapse of time, or both, would be an Event of Default under the terms of the promissory note, shall be received as an agent for the Bank; shall be held in trust by the Owner for the Bank; shall be delivered to the Bank in the same medium as received by the Owner; shall under no circumstances at any time be commingled with any funds of the Owner, and shall be forwarded to the Bank on the day of their receipt by the Owner unless received too late for forwarding on such day, in which event they shall be forwarded on the next business day.



The Bank shall not be obligated to collect any of the rentals or other sums of money hereby assigned and the failure on the part of the Bank to collect the same shall not in any way affect any indebtedness or liabilities of the Owner to the Bank and/or in any way affect any security therefor.

No renewal or extension of any or all of the indebtedness secured the Assignment shall operate to waive, alter, vary, affect or annul the Assignment of the security afforded thereby. Nothing therein contained shall operate as or be deemed to be an extension of the time of payment of the indebtedness secured thereby or to in any way affect any rights, powers or remedies of the Bank contained in the obligations evidencing such indebtedness or loan agreements regarding such indebtedness.

No delay by the Bank in exercising, or failure by the Bank to exercise, or partial or single exercise by the Bank of any right or power under the Assignment shall preclude any other or further exercise thereof or of any other right or power. The rights and remedies of the Bank as specified in the Assignment are cumulative and not exclusive of any other rights or remedies which the Bank may otherwise have.

The Assignment and all representations, warranties, covenants, powers and rights therein contained shall bind and shall inure to the benefit of the parties thereto and their respective successors and assigns.

The parties to the Assignment agree that the Assignment and the acts of the parties thereunder shall be construed and interpreted in accordance with the laws of the State of New York.

\* \* \*

3. It is expressly understood and agreed that this Memorandum of Assignment is not intended to recite in full the provisions of the Assignment, or to supersede or in any manner amend or modify the Assignment or the respective rights, obligations and duties of the parties under the Assignment, but said Assignment and all and singular terms, covenants and conditions thereof shall continue and remain in full force and effect in all respects as though this Memorandum of Assignment had not been executed.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Assignment as of the date first above written.

SALT CAR LEASING COMPANY

By: 

Mortimer B. Fuller, III

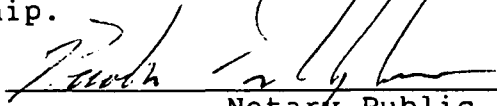
MARINE MIDLAND BANK, N.A.

By: 

Emmett B. Boylan  
Administrative Vice President

STATE OF CONNECTICUT)  
COUNTY OF FAIRFIELD ) SS:

On this 4<sup>th</sup> day of NOVEMBER, 1987, before me personally appeared Mortimer B. Fuller, III, to me personally known, who being by me duly sworn, says that he is the proprietor of SALT CAR LEASING COMPANY, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said proprietorship.

  
Notary Public

My commission expires: Brooks L. Gallagher  
(Seal) Notary Public

My Commission Expires March 31, 1990

STATE OF NEW YORK)  
COUNTY OF MONROE ) SS:

On this 21<sup>st</sup> day of June, 1988, before me personally appeared Emmett B. Boylan, to me personally known, who being by me duly sworn, says that he is an Administrative Vice President of MARINE MIDLAND BANK, N.A., that the seal affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national bank.

  
Notary Public

My commission expires: \_\_\_\_\_  
(Seal)

JAMES B. GRANT, JR.  
NOTARY PUBLIC, State of New York  
Qualified in Monroe County  
My Commission Expires Oct. 19, 1989

This Memorandum of Assignment pertains to the following property:

SCHEDULE

To Lease Dated December 1, 1986 between Salt Car Leasing Company  
and GWI Rail Management Corporation.

100-Ton, 4427 cubic feet capacity steel covered hopper cars.

Reporting Marks

Running Number

GWIX	97500
GWIX	97501
GWIX	97502
GWIX	97503
GWIX	97504
GWIX	97505
GWIX	97506
GWIX	97510
GWIX	97517
GWIX	97522
GWIX	97525
GWIX	97527
GWIX	97530
GWIX	97531
GWIX	97532
GWIX	97533
GWIX	97535
GWIX	97537
GWIX	97539
GWIX	97540
GWIX	97541
GWIX	97542
GWIX	97543
GWIX	97544
GWIX	97546

SALT CAR LEASING COMPANY

By: 

GWI RAIL MANAGEMENT CORPORATION

By: 